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BAGHDAD FOR EDWARD GALLAGHER

E.O. 12958: N/A
TAGS: [ETTC](#) [IZ](#) [KOMC](#)
SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECK
ON LICENSE 05-050079420

11. This is an Action Request. See paragraphs 2 - 4.

12. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a pre-license check on license 05-050079420 for the export of ammunition to Iraq. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

13. Reason for Request: Large volume of ammunition is being exported directly to the Iraqi government end-user rather than going through USG. Caliber of this ammunition is uncommon for the Iraqi Army.

14. Action Request: Post is requested to contact appropriate officials in order to establish the bona fides of the end-user and the legitimacy of this order. Post is also requested to establish the bona fides of foreign consignee, Stuart Watkins, and verify his affiliations with those party of this transaction.

15. Details of license application:

DTC Case: 05-050079420

QUANTITY/COMMODITY:

39,000,000 5.56mm x 45 mm M855 Full Metal Jacket Caliber
Ammunition

License Value: USD \$10,140,000

SELLER:

AEY Inc.
975 41st, Suite 211
Miami Beach, FL 33140

FOREIGN CONSIGNEE:

Mr. Stuart Watkins
68 Abu Ghraib Warehouse, Ministry of Transportation
Baghdad, Iraq

FOREIGN END-USER:

Abd Ali Jassim
Director General, Armament and Surplus, Ministry of Defense
Baghdad, Iraq

PURPOSE:

Training and duty use by the new Iraqi Army.

16. Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts

upon request):

Letter of explanation from lack of DSP-83 from AEY signed by Efraim Diveroli dated 12/11/07.

Solicitation/Contract/Order for Commercial Items (Standard Form 1449) for contract W91GY0-08-C-0005. Dated 12/08/07.

17. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet: [http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final .pdf](http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520final.pdf)

18. Department is grateful for Post's assistance in this matter.
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